



411 Seventh Avenue
16th Floor
Pittsburgh, PA 15219

Tel 412-393-1541
Fax 412-393-1418
gjack@duqlight.com

Gary A. Jack
Assistant General Counsel

August 1, 2011

RECEIVED

AUG 1 2011

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

VIA OVERNIGHT MAIL

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

**RE: Duquesne Light Company – Annual Reconciliation of Smart Meter Surcharge Rider
Docket No. _____**

Dear Secretary Chiavetta:

Enclosed for filing on behalf of Duquesne Light Company (“Duquesne Light” or the “Company”) are four (4) copies of the reconciliation component of Duquesne Light’s Smart Meter Surcharge Rider for the reconciliation period of August 1, 2009 through June 30, 2011 (“Reconciliation Filing Period”).

The Pennsylvania Public Utility Commission (“Commission”) approved the Surcharge Rider in Duquesne Light’s Smart Meter plan filing at Docket No. M-2009-2123948 by Order entered May 11, 2010. The Surcharge is a reconcilable charge that is designed to recover the Company’s costs for providing a smart meter program under Act 129.

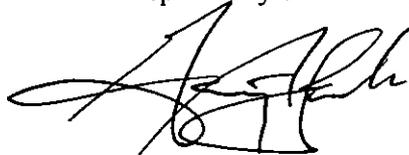
For this Reconciliation Filing, Schedule A provides a summary of total revenues and expenses for the Reconciliation Filing Period. Duquesne Light experienced an under collection of \$173,739 including interest for the Reconciliation Filing Period. Schedule B summarizes the total revenues collected beginning with the start of the surcharge on August 1, 2010 through June 2011. Schedules C shows calculated expenses from August 2009 through June 30, 2011. Schedule D shows the actual over or under collection by month and the interest calculation on those balances.

Duquesne Light has served a copy of this filing on all parties in its smart meter proceeding. Duquesne Light respectfully requests that the Commission approve this Reconciliation Filing.

Ms. Rosemary Chiavetta, Secretary
Page 2
August 1, 2011

Should you have any questions, please do not hesitate to contact me.

Respectfully submitted,



Gary A. Jack
Assistant General Counsel

Enclosures

c: Certificate of Service
Pennsylvania Public Utility Commission Bureau of Audits

RECEIVED

AUG 1 2011

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED

AUG 1 2011

DUQUESNE LIGHT COMPANY :
Annual Reconciliation of Smart Meter :
Surcharge Rider :

Docket No. _____

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Annual Reconciliation of Duquesne Light Company's Smart Meter Surcharge Rider in the above-referenced proceeding has been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant):

VIA EMAIL OR US MAIL

David T. Evrard, Esquire
Tanya J. McCloskey, Esquire
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048
(717) 783-7152 (Fax)
devrard@paoca.org
tmccloskey@paoca.org

Charles Daniel Shields, Esquire
Adeolu A. Bakare, Esquire
PA PUC – Office of Trial Staff
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
(717) 787-1976
(717) 772-2677
chshields@state.pa.us
abakare@state.pa.us

Sharon E. Webb
Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101
swebb@state.pa.us

Kurt E. Klappkowski, Esquire
Department of Environmental Protection
Rachel Carson State Office Building
400 Market Street, 9th Floor
Harrisburg, PA 17101-2301
kklappkowsk@state.pa.us

George Jugovic, Esq.
Department of Environmental Protection
400 Waterfront Drive
Pittsburgh, PA 15222
gjugovic@state.pa.us

Pamela C. Polacek, Esquire
McNees, Wallace & Nurick, LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108
(717) 237-5300
ppolacek@mwn.com

Divesh Gupta
Constellation Energy
111 Market Place, Suite 500
Baltimore, MD 21202
(410) 470-3158
(443) 213-3356 (Fax)
Divesh.Gupta@constellation.com

Harry S. Geller, Esquire
John C. Gerhard, Esquire
Julie George, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
(717) 236-9486, Ext. 201
(717) 233-4088 (Fax)
hgellerpulp@palegalaid.net
jgerhardpulp@palegalaid.net
jgeorgepulp@palegalaid.net

Theodore S. Robinson, Esquire
Citizen Power
2121 Murray Avenue
Pittsburgh, PA 15217
(412) 421-7029
(412) 421-6162 (Fax)
robinson@citizenpower.com

RECEIVED

AUG 1 2011

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



Gary A. Jack
Assistant General Counsel
Duquesne Light Company
411 Seventh Avenue, 16th Floor
Pittsburgh, PA 15219
412-393-1541 (phone)/412-393-1418 (fax)
gjack@duqlight.com

Erin H. Creahan
Senior Attorney
Duquesne Light Company
411 Seventh Avenue, 16th Floor
Pittsburgh, PA 15219
412-393-6070 (phone)/412-393-5556 (fax)
ecreahan@duqlight.com

Dated: August 1, 2011

Schedule A

Duquesne Light Company
2011 Smart Meter Charge, Rider 20, Reconciliation Filing
Report for the Period August 2009 through June 30, 2011

| | | |
|---|---|---------------------------|
| 1 | Actual Reconciliation Period Surcharge Revenue, Inc. GRT (Schedule B, Column N, Line 14) | \$2,543,926 |
| 2 | Gross Receipts Tax (GRT) (Line 1 multiplied by 5.9%) | <u>\$150,092</u> |
| 3 | Net Reconciliation Period Surcharge Revenue, Excl. GRT (Line 1 less Line 2) | \$2,393,834 |
| 4 | Actual Reconciliation Period Expense (Schedule C, Column N, Line 3) | <u>\$2,553,010</u> |
| 5 | Current Reconciliation Period Over/ (Under) Collection (Line 3 less Line 4) | (\$159,176) |
| 6 | Interest on Over/ (Under) Collection (Schedule C, Column N, Line 7) | <u>(\$14,564)</u> |
| 7 | Total Reconciliation Period Over/ (Under) Collection (1) (Line 5 plus Line 6) | <u><u>(\$173,739)</u></u> |

(1) Under collection to be recovered over the one-year period commencing on January 1, 2012.

RECEIVED

AUG 1 2011

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Duquesne Light Company
 2011 Smart Meter Charge, Rider 20, Reconciliation Filing
 Report for the Period August 2009 through June 30, 2011

| A | B | C | D | E | F | G | H | I | J | K | L | M | N |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| | <u>Jul-10</u> | <u>Aug-10</u> | <u>Sep-10</u> | <u>Oct-10</u> | <u>Nov-10</u> | <u>Dec-10</u> | <u>Jan-11</u> | <u>Feb-11</u> | <u>Mar-11</u> | <u>Apr-11</u> | <u>May-11</u> | <u>Jun-11</u> | <u>Total</u> |
| A. Surcharge Revenue by Rate Class | | | | | | | | | | | | | |
| 1 RS | \$0 | \$133,077 | \$221,314 | \$193,843 | \$207,418 | \$200,486 | \$173,253 | \$152,406 | \$164,581 | \$208,224 | \$249,909 | \$233,582 | \$2,138,093 |
| 2 RH | \$0 | \$7,847 | \$12,204 | \$13,903 | \$13,025 | \$10,957 | \$9,015 | \$7,270 | \$10,555 | \$11,371 | \$16,482 | \$13,500 | \$126,128 |
| 3 RA | \$0 | \$1,037 | \$1,564 | \$1,758 | \$1,827 | \$1,392 | \$1,252 | \$1,069 | \$1,348 | \$1,608 | \$2,235 | \$1,581 | \$16,669 |
| 4 GS | \$0 | \$6,381 | \$10,069 | \$10,023 | \$10,963 | \$8,792 | \$6,708 | \$6,930 | \$8,191 | \$9,913 | \$12,902 | \$7,846 | \$98,717 |
| 5 GM<25 | \$0 | \$5,815 | \$9,432 | \$9,129 | \$10,073 | \$8,411 | \$6,402 | \$6,718 | \$7,686 | \$9,445 | \$11,875 | \$7,720 | \$92,707 |
| 6 GM>25 | \$0 | \$3,077 | \$5,117 | \$4,850 | \$5,320 | \$4,522 | \$3,736 | \$3,526 | \$4,148 | \$5,000 | \$6,432 | \$5,215 | \$50,941 |
| 7 GMH<25 | \$0 | \$674 | \$1,062 | \$1,059 | \$1,175 | \$950 | \$631 | \$680 | \$861 | \$1,020 | \$1,326 | \$888 | \$10,326 |
| 8 GMH>25 | \$0 | \$284 | \$537 | \$483 | \$558 | \$469 | \$314 | \$323 | \$412 | \$474 | \$656 | \$525 | \$5,035 |
| 9 GL | \$0 | \$272 | \$438 | \$420 | \$458 | \$418 | \$322 | \$295 | \$353 | \$424 | \$570 | \$412 | \$4,381 |
| 10 GLH | \$0 | \$39 | \$63 | \$61 | \$67 | \$61 | \$42 | \$42 | \$51 | \$59 | \$81 | \$62 | \$628 |
| 11 L | \$0 | \$18 | \$23 | \$24 | \$25 | \$23 | \$19 | \$17 | \$20 | \$26 | \$31 | \$28 | \$253 |
| 12 HVPS | \$0 | \$3 | \$2 | \$3 | \$3 | \$3 | \$2 | \$2 | \$2 | \$3 | \$5 | \$4 | \$33 |
| 13 AL | \$0 | \$0 | \$2 | \$1 | \$1 | \$1 | \$2 | (\$0) | \$1 | \$1 | \$2 | \$1 | \$13 |
| 14 Total | \$0 | \$158,524 | \$261,827 | \$235,557 | \$250,914 | \$236,485 | \$201,698 | \$179,277 | \$198,210 | \$247,567 | \$302,505 | \$271,363 | \$2,543,926 |
| B. Surcharge Revenue by Customer Class | | | | | | | | | | | | | |
| 15 Residential (RS, RH, RA) | \$0 | \$141,961 | \$235,082 | \$209,504 | \$222,270 | \$212,836 | \$183,520 | \$160,744 | \$176,483 | \$221,202 | \$268,625 | \$248,662 | \$2,280,890 |
| 16 Commercial & Industrial (GSGM, GMH, GL, GLH, L, HVPS) | \$0 | \$16,563 | \$26,743 | \$26,051 | \$28,642 | \$23,648 | \$18,176 | \$18,533 | \$21,726 | \$26,363 | \$33,878 | \$22,700 | \$263,023 |
| 17 Lighting (AL) | \$0 | \$0 | \$2 | \$1 | \$1 | \$1 | \$2 | (\$0) | \$1 | \$1 | \$2 | \$1 | \$13 |
| 18 Total | \$0 | \$158,524 | \$261,827 | \$235,557 | \$250,914 | \$236,485 | \$201,698 | \$179,277 | \$198,210 | \$247,567 | \$302,505 | \$271,363 | \$2,543,926 |
| C. Net Surcharge Revenue by Customer Class [Less GRT] | | | | | | | | | | | | | |
| 19 Residential (RS, RH, RA) | \$0 | \$133,585 | \$221,212 | \$197,144 | \$209,156 | \$200,278 | \$172,692 | \$151,260 | \$166,071 | \$208,152 | \$252,776 | \$233,991 | \$2,146,317 |
| 20 Commercial & Industrial (GSGM, GMH, GL, GLH, L, HVPS) | \$0 | \$15,585 | \$25,165 | \$24,514 | \$26,952 | \$22,253 | \$17,104 | \$17,440 | \$20,444 | \$24,808 | \$31,879 | \$21,361 | \$247,505 |
| 21 Lighting (AL) | \$0 | \$0 | \$2 | \$1 | \$1 | \$1 | \$2 | (\$0) | \$1 | \$1 | \$2 | \$1 | \$12 |
| 22 Total | \$0 | \$149,171 | \$246,379 | \$221,659 | \$236,110 | \$222,532 | \$189,798 | \$168,700 | \$186,516 | \$232,960 | \$284,657 | \$255,353 | \$2,393,834 |

Duquesne Light Company
 2011 Smart Meter Charge, Rider 20, Reconciliation Filing
 Report for the Period August 2009 through June 30, 2011

| A | B | C | D | E | F | G | H | I | J | K | L | M | N |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| | <u>Jul-10</u> | <u>Aug-10</u> | <u>Sep-10</u> | <u>Oct-10</u> | <u>Nov-10</u> | <u>Dec-10</u> | <u>Jan-11</u> | <u>Feb-11</u> | <u>Mar-11</u> | <u>Apr-11</u> | <u>May-11</u> | <u>Jun-11</u> | <u>Total</u> |
| Total Monthly Expense | | | | | | | | | | | | | |
| 1 Common O&M Expense | \$89,808 | \$71,867 | \$299,931 | \$76,110 | \$73,269 | \$351,762 | \$90,058 | \$194,084 | \$158,821 | \$116,778 | \$347,141 | \$250,702 | \$2,120,330 |
| 2 August 2009 - June 2010 Expense (1) | \$0 | \$54,085 | \$54,085 | \$36,057 | \$36,057 | \$36,057 | \$36,057 | \$36,057 | \$36,057 | \$36,057 | \$36,057 | \$36,057 | \$432,680 |
| 3 Total Expense | \$89,808 | \$125,952 | \$354,016 | \$112,167 | \$109,326 | \$387,818 | \$126,114 | \$230,141 | \$194,877 | \$152,835 | \$383,198 | \$286,759 | \$2,553,010 |

(1) Each surcharge beginning August 1, 2010 and each quarter thereafter included recovery of one-fourth of the estimated expenses of \$442,182 incurred prior to July 2010. Actual expenses incurred from August 2009 through June 2010 were \$432,680. The Company has included one fourth of the actual expenses for each quarterly surcharge in each month for reconciliation purposes.

Duquesne Light Company
 2011 Smart Meter Charge, Rider 20, Reconciliation Filing
 Report for the Period August 2009 through June 30, 2011

| A | B | C | D | E | F | G | H | I | J | K | L | M | N | |
|--|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|-------------|
| | <u>Jul-10</u> | <u>Aug-10</u> | <u>Sep-10</u> | <u>Oct-10</u> | <u>Nov-10</u> | <u>Dec-10</u> | <u>Jan-11</u> | <u>Feb-11</u> | <u>Mar-11</u> | <u>Apr-11</u> | <u>May-11</u> | <u>Jun-11</u> | <u>Total</u> | |
| A. Over/ (Under) Collection | | | | | | | | | | | | | | |
| 1 | Net Surcharge Revenue | \$0 | \$149,171 | \$246,379 | \$221,659 | \$236,110 | \$222,532 | \$189,798 | \$168,700 | \$186,516 | \$232,960 | \$284,657 | \$255,353 | \$2,393,834 |
| 2 | Total Monthly Expense | \$89,808 | \$125,952 | \$354,016 | \$112,167 | \$109,326 | \$387,818 | \$126,114 | \$230,141 | \$194,877 | \$152,835 | \$383,198 | \$286,759 | \$2,553,010 |
| 3 | Over/ (Under) Collection | (\$89,808) | \$23,219 | (\$107,637) | \$109,492 | \$126,784 | (\$165,286) | \$63,684 | (\$61,441) | (\$8,362) | \$80,126 | (\$98,541) | (\$31,406) | (\$159,176) |
| B. Interest Calculation on Over/ (Under) Collection | | | | | | | | | | | | | | |
| 4 | Over/ (Under) Collection [Line 3] | (\$89,808) | \$23,219 | (\$107,637) | \$109,492 | \$126,784 | (\$165,286) | \$63,684 | (\$61,441) | (\$8,362) | \$80,126 | (\$98,541) | (\$31,406) | (\$159,176) |
| 5 | Interest Rate | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | |
| 6 | Interest Weight | 24/12 | 23/12 | 22/12 | 21/12 | 20/12 | 19/12 | 18 / 12 | 17 / 12 | 16 / 12 | 15 / 12 | 14 / 12 | 13 / 12 | |
| 7 | Interest | (\$10,777) | \$2,670 | (\$11,840) | \$11,497 | \$12,678 | (\$15,702) | \$5,732 | (\$5,222) | (\$669) | \$6,009 | (\$6,898) | (\$2,041) | (\$14,564) |
| 8 | C. Total Over/ (Under) Collection | (\$100,585) | \$25,889 | (\$119,477) | \$120,989 | \$139,462 | (\$180,988) | \$69,415 | (\$66,664) | (\$9,031) | \$86,135 | (\$105,439) | (\$33,447) | (\$173,739) |

(1) Interest calculated at the legal rate of interest at 6%. June 30, 2012 is the mid-point of the period January 1, 2012 to December 31, 2012 during which the under collection will be recovered.

UPS CampusShip: View/Print Label

1. **Print the label(s):** Select the Print button on the print dialog box that appears. Note: If your browser does not support this function select Print from the File menu to print the label.
2. **Fold the printed label at the solid line below.** Place the label in a UPS Shipping Pouch. If you do not have a pouch, affix the folded label using clear plastic shipping tape over the entire label.

3. **GETTING YOUR SHIPMENT TO UPS**

Customers without a Daily Pickup

Schedule a same day or future day Pickup to have a UPS driver pickup all your CampusShip packages.

Hand the package to any UPS driver in your area.

Take your package to any location of The UPS Store®, UPS Drop Box, UPS Customer Center, UPS Alliances (Office Depot® or Staples®) or Authorized Shipping Outlet near you. Items sent via UPS Return Services(SM) (including via Ground) are also accepted at Drop Boxes. To find the location nearest you, please visit the Resources area of CampusShip and select UPS Locations.

Customers with a Daily Pickup

Your driver will pickup your shipment(s) as usual.

FOLD HERE

| | | | | |
|---|---|---|---|--|
| <p>GARY A. JACK 4123931541 DUQUESNE LIGHT 411 SEVELLTH AVENUE, MAIL DROP PITTSBURGH PA 15219</p> <p>SHIP TO: ROSEMARY CHIAVETTA, SECRETARY 000-000-0000 PA PUBLIC UTILITY COMMISSION 2ND FLOOR COMMONWEALTH KEYSTONE BUILDING 400 NORTH STREET HARRISBURG PA 17120</p> | <p>PA 171 9-20</p>  | <p>UPS NEXT DAY AIR</p> <p>TRACKING #: 1Z 0X8 71V 01 9610 9428</p> <p>1</p> |  | <p>BILLING: P/P</p> <p>Cost Center: 492</p> <p>GS 13.5 32. W3E70 18 0A 07/2011</p>  |
|---|---|---|---|--|